



**CITY COUNCIL**  
CITY AND COUNTY OF HONOLULU  
HONOLULU, HAWAII 96813-3065 / TELEPHONE 547-7000

September 5, 2003

TO: All Councilmembers

FROM: Councilmember Barbara Marshall  
Councilmember Donovan Dela Cruz

SUBJECT: Bill 53(2003), Proposed CD-1

Attached is a proposed CD-1 for a change in the bus fares. We have developed this proposal to address our concerns about the impact of bus fee increases on our riders who rely on the bus for transportation to and from work and on our senior riders.

We developed the following fee structure by determining that the needed \$6.8 million is approximately 19.7% of the current fare box revenue of \$34,436,000. To make up that amount, we reviewed the bus fare structure and tried to approximate a percentage increase in each a category at a generous 25% to account for ridership losses due to elasticity. Using this strategy, and rounding to even numbers for the convenience of the rider, we arrived at the attached fare structure.

The basic differences between this and the other CD-1 proposal are: 1) cash fares are increased, to encourage purchase of monthly and annual passes; 2) the transfer system is eliminated, because, based on the mass of testimony, it is being so badly abused that this may well alone account for hundreds of thousands of dollars in lost revenue; 3) the increase to senior citizens in this proposal is 100%—far more than the other categories, but still reasonable enough for most seniors, and not nearly so great as the 500% increase proposed in the posted CD; and 4) the Express bus differential is eliminated, because we're told that many people need these buses for their daily commute to work. Raising their monthly passes by nearly 300% doesn't seem rational or reasonable.

To address the impact these increases may have on our low-income residents, we intend to establish a needs-based bus pass program. Adults and students with income that qualifies under the Housing and Urban Development (HUD) "very low income" income limits will qualify for \$30 adult monthly passes and \$13.50 student monthly passes, which is the current rate.

The current HUD income guidelines establish "very low income" income limits as follows:

Family Size	1	2	3	4	5	6	7	8
Income	22,800	26,100	29,350	32,600	35,200	37,800	40,400	43,050

For those concerned about the impact on bus revenues as a result of this low-income pass, we would answer that 10 years ago, the Department of Community Services had a three-year subsidy program, funded by the Council, which offered free bus passes and/or reimbursements. In three years, only 1400 people took advantage of the program. Based on those figures, we estimate the impact on bus revenues for our proposed low-income pass to be under \$5000 a year.

We hope you will consider our proposal as the one fairest to all riders—one that makes a most unpalatable move slightly less egregious. Thanks.

	FY96	FY02	FY04	Bill 53 (2003)	Bill 53 (2003) Proposed CD-1 (BM/MD)
Adult Cash		Bill 52, CD-1 (1999)	Bill 16, CD-2 (2003)		
Adult Pass (monthly)	\$1.00	\$1.50	\$1.75	\$1.75	\$2.00
Adult Pass (annual)	\$25.00	\$27.00	\$30.00	\$37.00	\$40.00
Youth Cash	n/a	\$300.00	\$360.00	\$360.00	\$400.00
Youth Pass (monthly)	\$0.50	\$0.75	\$0.75	\$0.85	\$1.00
Youth Pass (annual)	\$12.50	\$13.50	\$13.50	\$18.50	\$20.00
Child (up to 5 yrs.) own seat	n/a	\$150.00	\$150.00	\$150.00	\$200.00
Child (up to 5 yrs.) own seat/monthly	n/a	n/a	n/a	\$0.50	no fee
Senior Cash (w/City ID)	\$0.50	n/a	n/a	\$12.50	no fee
Senior City ID for cash fare	(four years)\$6.00	(four years)\$6.00	(four years)\$6.00	(annually) \$10.00	4 years for \$10.00
Senior Pass (two years)	\$20.00	\$25.00	\$25.00	No longer available	No longer available
Senior Pass (monthly)	n/a	n/a	n/a	n/a	\$5.00
Senior Pass (annual)	n/a	n/a	n/a	n/a	\$25.00
Disabled Cash (w/City ID)	\$0.50	\$0.75	\$0.75	\$0.75	\$1.00
Disabled City ID for cash fare	(four years)\$6.00	(four years)\$6.00	(four years)\$6.00	(four years)\$6.00	4 years for \$10.00
Disabled Pass (two years)	\$20.00	\$25.00	\$25.00	No longer available	No longer available
Disabled Pass (monthly)	n/a	n/a	n/a	n/a	\$5.00
Disabled Pass (annual)	n/a	n/a	n/a	n/a	\$25.00
Disabled riders issued a Handi-Van Pass	Free bus ride except Stadium Express	Free bus ride except Stadium Express	Free bus ride except Stadium Express	Stadium Express and must pay express differential fee and transfer fee	Free bus ride except Stadium Express
Handi-Van	\$1.50	\$2.00	\$2.00	\$2.00	\$2.00
Handi-Van Pass	(four years) free	(four years) free	(four years) free	(four years) free	(four years) free
Express Bus Differential Fee--applies to all riders	n/a	n/a	n/a	Additional \$ .25	no fee
Stadium Express (no passes/no senior, disabled or youth special fares)	\$2.00	\$3.00	\$3.00	\$3.00	\$3.00
Transfer Fee--applies to all riders except annual pass holders	n/a	n/a	n/a	Additional \$ .25	no transfers allowed
4-day visitor pass	\$10.00	\$15.00	\$20.00	\$20.00	\$20.00
10 adult fare tokens	\$10.00	\$15.00	\$17.50	\$17.50	\$20.00